



May 16, 2025

VIA USTR COMMENT PORTAL

The Honorable Jamieson Greer U.S. Trade Representative 600 17th Street NW Washington, D.C. 20508

RE: Notice of Proposed Action in Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance [USTR-2025-0008]

Dear Ambassador Greer,

SAFE is a nonpartisan, nonprofit organization dedicated to strengthening America's energy, transportation, and supply chain security. The Coalition for Reimagined Mobility (ReMo), a SAFE initiative, works to shape policies and foster innovation that advances secure, efficient, and resilient transportation systems. We appreciate the opportunity to comment on USTR's proposal to impose additional tariffs on certain ship-to-shore (STS) cranes and other cargo handling equipment from the People's Republic of China.

China's expanding dominance in the maritime, logistics, and shipbuilding sectors poses a direct threat to the U.S. industrial base, national security, and economic competitiveness. ReMo believes it is imperative to reduce U.S. dependence on Chinese infrastructure and technologies that expose our supply chains to strategic vulnerabilities. This proposed tariff action represents an important step toward a targeted decoupling strategy—one that should be complemented by efforts to reshore essential port equipment through U.S. and allied manufacturers and suppliers.

We therefore strongly support this Section 301 investigation and urge the USTR to impose increased duties on STS cranes and other critical cargo handling equipment that originates in China, contains Chinese components or is assembled or sub-assembled in China—particularly when it includes any information technology equipment.

¹ See https://secureenergy.org/ for more information.

² See https://reimaginedmobility.org for more information.

China is executing a long-term, state-directed strategy to control the backbone of global commerce. Backed by extensive subsidies and shielded from market discipline, Chinese companies are securing outsized influence across key nodes of global supply chains—including port operations, shipbuilding, logistics platforms, and maritime data networks.

The current prevalence of sophisticated Chinese products and components within our critical infrastructure—especially in STS cranes— is deliberate and far-reaching. State-backed companies like ZPMC today provide more than 80% of the ship-to-shore cranes at U.S. ports and are equipped with sophisticated sensors and software, raising concerns about surveillance and remote interference.³

While comprehensive action across federal agencies and international partners will ultimately be needed to confront the full scope of this threat, USTR's proposed tariff action on STS cranes and cargo handling equipment is a vital step toward addressing the national security risks associated with Chinese state-backed control of dual-use technologies and infrastructure for the maritime sector.

This is not simply a matter of trade distortion, it is about limiting foreign access to and control over commercial systems that also can be leveraged for strategic information that can be used for geopolitical and military advantages, from monitoring cargo flows to tracking real-time vessel activity.

We support the direction of the proposed tariff action and believe it can be further strengthened to reduce loopholes and avoid circumvention. Specifically, we recommend refining the subheading for key information technology equipment components and expanding the scope to include embedded sensors and software. These basic enhancements will better address the surveillance and remote interference risks posed by Chinese-built cargo handling systems and STS cranes.

This recommendation aligns with ReMo's recent comments to the U.S. Department of Commerce on the national security implications of connected vehicles with foreign components, particularly the People's Republic of China (PRC) and Russia, where we emphasized the need for proactive safeguards against foreign surveillance and cyber intrusion across the automotive supply chain and critical transportation infrastructure.⁴

Recommendations

To strengthen the effectiveness of the proposed tariff actions on STS cranes and certain cargo handling equipment that is manufactured, assembled, or made using components of Chinese origin, or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a Chinese national, and minimize the risk of circumvention, SAFE's Coalition for Reimagined Mobility recommends the following:

³ See Investigation by Select Committee on the CCP & House Homeland Finds Potential Threats to U.S. Ports from Chinese-Made Cranes, Select Committee on the CCP, March 6, 2024, https://selectcommitteeontheccp.house.gov/media/press-releases/investigation-select-committee-ccp-house-homeland-finds-potential-threats-us

⁴ Coalition for Reimagined Mobility, *Comments on Securing the ICTS Supply Chain: Connected Vehicles (Docket No. BIS-2024-0005)*, submitted to the U.S. Department of Commerce, October 28, 2024. Available at: https://www.regulations.gov/comment/BIS-2024-0005-0012

Refine or Add Subheadings for Information Technology Equipment
 Introduce specific component subheadings for critical information technology equipment
 commonly embedded in STS cranes and cargo handling systems. These should include—
 but not be limited to—control systems, wired and wireless communications modules,
 cellular and WiFi routers, GPS and geolocation hardware, modems, remote diagnostic

tools, and other components of Chinese origin embedded within the IT equipment.

2. Expand Scope to Include Embedded Sensors and Software

Explicitly include embedded sensors, port management and terminal operating software, firmware and other data-transmitting and data collection devices that could enable back door remote access, diagnostics, or cargo tracking, into the scope of the tariff action. For example, an established Chinese manufacturer integrates proprietary software in its STS cranes, potentially opening access to sensitive source and supplier codes to the PRC through mandatory backdoors required by China's Cybersecurity Law. These technologies and software systems present significant surveillance and cyber vulnerabilities when sourced from entities of concern, namely China.

Taken together, these small refinements will strengthen the precision, enforceability, and national security impact of the proposed action. This effort comes at a pivotal moment, as the maritime, logistics, and shipbuilding sectors undergo a transformational shift—driven by increased reliance on data networks, automation, and system connectivity to improve efficiency. The scope, scale, and urgency of the threat demand a proactive response to ensure these beneficial technological advancements do not come at the cost of security.

Our goal in submitting these comments is to support USTR's efforts to strengthen the domestic and allied production of STS cranes and cargo handling equipment while advancing secure, resilient supply chains that are vital to America's economic strength, industrial base, and national security. We hope our insights help inform USTR's strategy to address China's deliberate targeting of the maritime, logistics, and shipbuilding sectors.

SAFE and ReMo welcome continued engagement on this critical issue and stand ready to provide further input. We look forward to working with USTR and other government agencies to reduce U.S. dependence on Chinese infrastructure and technologies that expose our supply chains to malicious exploitation, disruption, and espionage.

Sincerely,

Ashley Simmons

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Deputy Director, Coalition for Reimagined Mobility

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⁵ House Committee on Homeland Security; Subcommittee on Transportation and Maritime Security; House Select Committee on Strategic Competition Between the United States and the Chinese Communist Party, ""Handling Our Cargo: How the People's Republic of China Invests Strategically in the U.S. Maritime Industry." September 2024.